

THE SUSTAINABLE FINANCING INITIATIVE IN UGANDA

Funded by the United States President's Emergency Plan for AIDS Relief (PEPFAR), the Sustainable Financing Initiative for HIV/AIDS (SFI) aims to increase sustainability of the HIV response by promoting shared financial responsibility with host country governments. Since 2014, the U.S. Agency for International Development (USAID) has implemented SFI in 16 countries and two regional programs, with a budget of nearly \$48 million.

Uganda's HIV epidemic is among the largest in sub-Saharan Africa. In 2020, about 1.4 million people were living with HIV (PLHIV), accounting for 6.2 percent of the population. Approximately 43,500 people were newly infected with HIV and 19,200 died from an AIDS-related illness.¹ The Government of Uganda recognizes the importance of ensuring long-term sustainability of its HIV response and has committed to mobilize funds from a variety of sources, both domestic and international, to control the epidemic.

In collaboration with the Government of Uganda and relevant stakeholders, SFI activities focused on increasing domestic financing for the country's HIV response. SFI mobilized \$9 in domestic resources for HIV for every US taxpayer dollar invested.

AT A GLANCE

HIV/AIDS Response Funding Sources in 2017²

Uganda total: \$410 million

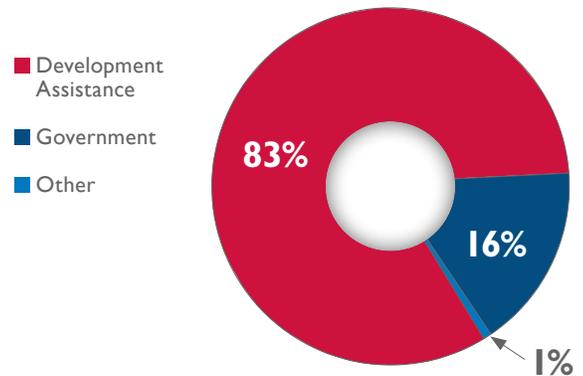


PHOTO: JSI, 2013



PHOTO: MORGANA WINGARD

How SFI Contributes to a Sustainable HIV Response



SFI **strengthened the capacity of over 300 government officials** in the health sector to analyze, plan, and execute budgets.



Uganda's Ministry of Health increased the budget execution rate (the amount spent vs. budgeted) from 80 percent to 97 percent in two years, resulting in another **\$17.4 million leveraged for health spending.**



Technical assistance to the Uganda Revenue Authority (URA) demonstrated progress in **improving tax revenues** from debt collection.

¹ PEPFAR (2020). PEPFAR Uganda Country Operational Plan (COP) 2020. Strategic Direction Summary. April 1, 2020.

² Institute for Health Metrics and Evaluation (IHME) (2020). Financing Global Health Visualization. Seattle, WA: IHME, University of Washington.

BETWEEN 2016 AND 2018, SFI STRENGTHENED PUBLIC FINANCIAL MANAGEMENT AT THE MINISTRY OF HEALTH (MOH) BY PROVIDING TECHNICAL ASSISTANCE; BUILDING CAPACITY FOR BUDGET PLANNING, EXECUTION, AND REVENUE COLLECTION; AND GENERATING EVIDENCE FOR DECISION-MAKING. AT THE DECENTRALIZED LEVEL, SFI SUPPORTED 16 DISTRICTS TO ROLL OUT PROGRAM-BASED BUDGETING, LINKING THE BUDGET TO HEALTH OUTCOMES.

Public Financial Management

PROGRAM-BASED BUDGETING

SFI helped improve budget planning and spending at the local and national levels, by supporting the MOH transition to program-based budgeting (PBB), which links the budget to results and health outcomes, thereby making it easier to advocate for resources based on known needs. SFI trained more than 300 government officials in PBB.

BUDGET AND BUDGET EXECUTION

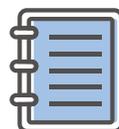
Performance data now informs decisions about the allocation of resources. With SFI's investment, the MOH improved coordination in procurement, contract management, and payments. These efforts will continue to contribute to higher budget execution rates.

SFI supported a health budget execution bottleneck analysis that informed interventions to address inefficiencies, increasing the budget execution rate with the MOH acting on 48 of 51 recommendations made.

TAX REFORM AND ADMINISTRATION

Revised tax management procedures increased URA's revenue collection by nearly \$1 million in 2017/18 compared to 2016/17 levels.

SFI MILESTONES



Uganda's health sector was the first sector ever to submit a consolidated **program-based budget**.



First-time mandate for all government ministries, departments, and agencies to budget for **HIV/AIDS**.



SFI's efforts contributed to a greater than **9:1 return on investment** by leveraging more resources from Uganda's government.



PHOTO: MORGANA WINGARD

Improved budget execution and procurement ensure health workers are equipped to provide HIV services.



PHOTO: ERIC BONDI, ELIZABETH GLASER, PEDIATRIC AIDS FOUNDATION

A transporter and lab work together to support HIV prevention and treatment programs.

SUMMARY

Uganda's high budget execution rates demonstrate the government's commitment to improved financial management. Recently, Uganda has undertaken an activity-based costing and management (ABC/M) exercise to understand the cost of HIV services, improve program efficiency and resource allocation for maximum impact. SFI's work demonstrates that investments in budget systems and planning can have long term impacts for years to come and contribute to sustainable financing.